GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:5375
ANSWERED ON:28.04.2003
SETTING UP OF SPECIAL RURAL INDUSTRIES FUND
RADHA MOHAN SINGH

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether the Government are contemplating to set up `Special Rural Industries Fund` to boost industrial development in the villages in the near future;

(b) if so, the details thereof;

(c) whether the Government propose to provide special concessions and incentives to develop industries in the rural areas; and

(d) if so the details thereof and the time by which the State Governments are likely to be informed to implement the same?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM)

(a) & (b): No, Sir.

(c) & (d): The Government is already implementing various Schemes and Programmes for development of industries in the rural areas. Under the Rural Employment Generation Programme (REGP) being implemented by the Khadi and Village Industries Commission (KVIC) in the country, margin money assistance is provided at the rate of 25% of the project cost upto Rs. 10.00 lakhs and for the projects above Rs. 10.00 lakhs and upto 25.00 lakhs, rate of margin money is 25% of Rs. 10.00 lakhs plus 10% on remaining cost of the project. In the case of SC/ ST/ OBC/ Women / Physically Handicapped/ Ex-servicemen and Minority Community beneficiary/ institution and for hill border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the margin money grant is 30% of the project cost upto Rs. 10.00 lakhs but above this amount and upto Rs. 25.00 lakhs it is 30% of 10.00 lakhs plus 10% of the remaining cost of the projects.